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FISCAL IMPACT STATEMENT

LS 7058

BILL NUMBER: HB 1365

NOTE PREPARED: Feb 18, 2010

BILL AMENDED: Feb 18, 2010

SUBJECT: Dual Enrollment Costs and Fees.

FIRST AUTHOR: Rep. Porter

FIRST SPONSOR: Sen. Kruse

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) *Dual Credit & AP Test Costs:* This bill provides that a student may be charged tuition or fees for a college course or test that the student completes in order to obtain a Core 40 diploma.

Dual Credit Course Approval: The bill requires state educational institutions that offer dual credit courses in liberal arts, professional, or career and technical disciplines to be accredited by the National Alliance of Concurrent Enrollment Partnerships or approved by the Commission for Higher Education. (Current law requires the state educational institutions that offer dual credit courses in liberal arts, professional, or career and technical disciplines to be accredited by the National Alliance of Concurrent Enrollment Partnerships.)

Effective Date: July 1, 2010.

Explanation of State Expenditures: (Revised) *Dual Credit & AP Test Costs:* The provision should have no fiscal impact since schools currently can charge for the AP tests and state education institution can charge tuition for students that are not eligible for free or reduced lunch.

Dual Credit Course Approval: The bill could increase the workload of the Commission for Higher Education, but the additional review could probably be done with existing resources.

Explanation of State Revenues: (Revised) *Dual Credit & AP Test Costs:* The bill clarifies that a student may be charged for an AP test or dual credit class. Currently, state educational institutions can not charge tuition and fees to high school students that are eligible for the free and reduced lunch program. The provision should have no fiscal impact.

Background: To obtain a Core 40 diploma with Academic Honors, a student must take AP courses or dual credit courses. For the 2007-2008 school year, about 18,991 Honors diplomas were awarded. The tuition charged a student is between \$0 and \$356, depending on the state educational institution. The range of students taking dual credit classes is estimated to be between 9,000 and 32,000 students.

The Indiana Concurrent Enrollment Partnership established by the 2008 General Assembly has collected information on concurrent enrollment. Based on data they have collected, about 32,000 students were taking concurrent enrollment classes at 312 high schools and public and private colleges. There was a maximum of about 166 high schools who were not offering classes. The partnership estimates that about 17,100 additional students in the 166 high schools might take concurrent enrollment classes.

The Department of Education has also begun collecting information on students taking dual credit classes. In the 2008-2009 school year, 119 school corporations reported having 8,984 students taking dual credit classes. The majority of the students taking dual credit classes were juniors (3,003 students) and seniors (4,745 students).

The difference in the Indiana Concurrent Enrollment Partnership and the Department of Education figures is probably due to the differences in who reported the information, and also the 2008-2009 school year was the first year the Department of Education requested dual credit information.

Public schools receive funding for the students taking concurrent enrollment classes through the school formula, and universities receive funding from enrollment growth and tuition charged to students.

Currently, universities cannot charge tuition for students eligible for free or reduced lunch. The tuition charged by universities for other students for concurrent enrollment courses varies from nothing at Ivy Tech Community College to \$89 per credit hour. The cost is below the tuition charged for a full-tuition student, which ranges from \$132 to \$263 per credit hour.

Explanation of Local Expenditures: (Revised) *Dual Credit & AP Test Costs:* The bill should have no fiscal impact on local schools.

Background: Students getting an Honors diploma have to do one of the following:

1. Complete advanced placement courses (4 credits) and corresponding examination.
2. Complete international baccalaureate courses (4 credits) and corresponding examination.
3. Earn a combined score of 1200 or higher on the SAT critical reading and mathematics.
4. Score a 26 or higher composite score on the ACT.
5. Complete dual high school/college credit course from an accredited postsecondary institution (6 transferable college credits).
6. Complete a combination of advanced placement courses (2 credits) and corresponding examination and dual high school/college credit courses (3 transferable college credits).

The state provides some funding for advanced placement exams, about \$953,284 per year. Advanced placement tests cost about \$86 per exam. For the 2009 school year, 27,683 students took AP exams, with 11,637 of the students being 11th graders and 11,661 of the students being 12th graders. About 48.7% of the students taking the test passed, with 22.6% receiving a score of 3, 15.8% receiving a score of 4, and 10.3% receiving a score of 5.

Explanation of Local Revenues:

State Agencies Affected: State education institutions.

Local Agencies Affected: Local schools.

Information Sources: Indiana Concurrent Enrollment Partnership; College Board AP Tests Website, <http://professionals.collegeboard.com/testing/ap/about/fees>; Emily Shelman, Department of Education, 232-6618.

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